

1983 Annual City Report

Berlin, New Hampshire



For Fiscal Period
July 1, 1982 to June 30, 1983



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1983

Annual City Report

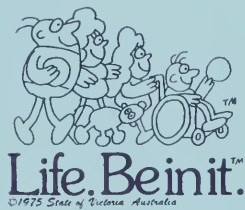
Berlin, New Hampshire



For Fiscal Period
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LOCAL GOVERNMENT HELPING THE CITY



YOUR GOVERNMENT CONSISTS OF PEOPLE WHO ARE ELECTED, APPOINTED AND EMPLOYED TO PROVIDE EDUCATION, FIRE AND POLICE PROTECTION, LIBRARIES, RECREATION AND PARKS, HEALTH PROGRAMS, SNOWPLOWING, POLLUTION CONTROL AND MORE. GOVERNMENT IS ONLY ONE PART OF OUR CITY. OUR CITY IS PEOPLE WHO WANT TO MOVE FORWARD, REFLECT UPON THE PAST AND MAKE SIGNIFICANT IMPROVEMENTS TO OUR STREETS, BRIDGES, INDUSTRY AND OUR QUALITY OF LIFE.

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PHOTO CREDITS

Cover: ROLAND BERGERON
Others: NORM CHAREST
ALAN JOHNSON
ROSE DODGE
ROLAND BERGERON
LINDA LAPLANTE



THE BERLIN CITY COUNCIL



WARD I: DAVID B. GILCHRIST
GEORGE R. ARSENAULT



WARD II: JOSEPH J. MURRAY
ALFRED H. LEGERE



WARD III: RAYMOND G. CHAGNON
DORIS J. PURINTON



WARD IV: WILFRED ROUTHIER
MARGARET L. NEIL

Mayor & City Council Photos
by Rollin Ingersol

MAYOR'S ANNUAL REPORT

As Mayor, I see my role as a leader, initiator, and evaluator; and as much, 1983 provided a number of opportunities for these efforts. It must be pointed out that these efforts must continue into 1984 if Berlin is going to demonstrate strength as well as growth. Some of these areas that will require efforts are as follows:

- (1) To continue to keep taxes at a minimum and yet deliver necessary services.
- (2) Expand our industrial base and provide jobs for our young people graduating from school. This will require efforts by all of us if we are to achieve such a goal.
- (3) Continue and expand our relationship with towns throughout the valley and work together on problems of mutual concern.
- (4) Develop a program that will expand our housing industry. Make it attractive so people will want to build new homes in Berlin.
- (5) Work with the Chamber of Commerce and others to promote tourism.

And, continue to support those difficult decisions at our City's government level that are prudent and will continue to benefit our citizens in the community.

I also see 1983 as a very good year in that we realized a change in management and philosophy towards services at the City's level. As Mayor, I feel that the management change is more attuned to improving a personal response to our citizens. We also envision that the responses between the Mayor, Council, Manager and citizens within our community will continue to grow and, in turn, benefit our City.

In closing, I wish to express my appreciation to members of the City Council, to all Department Heads, Boards, Commissions, Employees and to the citizens of Berlin for their cooperation and assistance.

Respectfully submitted,

JOSEPH J. OTTOLINI
Mayor



1983 CITY MANAGER'S REPORT

Dear Citizens of Berlin:

Berlin has moved ahead in many areas during 1983. We have also seen a renewed interest in our downtown area and a strong recognition of the partnership that exists between our local government, industry and citizens.

The 1983 key objectives, as outlined by the City's Management, are worth review. A Summer Street Resurfacing Program was initiated for the first time. The cooperative effort between our City's Engineer Office, Public Works Department, Community Development Office and Water Works Department resulted in new sidewalks and curbing in Pleasant and York Streets and major street resurfacing in all of our Wards.

The improvement of the Water Distribution system continued as a new water line was installed on Hillsboro Street. This effort will continue into 1984 with the installation of a 16" water line which will connect the West Side to our East Side water systems and once again provide a critical back-up which was lost with the removal of the old Y.M.C.A. Bridge.

The systems and procedures used by our Public Works Department for snow removal reflected many improvements relating to the equipment and preparation of personnel. These improvements should provide our City with an acceptable response during snow removal operations.

The first phase of a Runway Improvement Project at our Municipal Airport was initiated through the Community Development Office. The second phase is scheduled to begin in 1984 with proper funding.

The City also supported and participated in Berlin's Winterfest 1983. This community wide event will become an annual opportunity which continues to focus in on the partnership among government, industry and citizens.

As our new City Manager, I look forward to a renewed sense of cooperation in our City to assist us in developing our goals and a plan for the short-term and for the future of Berlin. This plan will be implemented by the City's personnel while being sensitive to the City's fiscal constraints and through the support of our business and industrial community.

Respectfully submitted,

MITCHELL A. BERKOWITZ
City Manager



The Mayor, City Manager, Director of Chamber of Commerce and the President of James River examine future plans for the growth and betterment of the City of Berlin.

ASSESSORS' REPORT

The Board of Assessors are the government officials responsible for the discovering, listing, and valuing all taxable property in the City of Berlin. They are further responsible for the assessment of the Resident Tax; assessment of the Yield Tax on timber cut in Berlin; Current Use Assessment; payments in lieu of taxes by the Federal Government for White Mountain National Forest land; administration of the various tax relief programs (elderly, blind, physically handicapped, veteran, elderly/disability lien, and poverty abatements); and determinations of exempt status for organizations applying for same under State Statute.

The following is a statistical summary of Fiscal Year 1982-1983:

EXEMPTIONS GRANTED

TYPE	NUMBER	TAX DOLLARS
Elderly	423	147,029.75
Blind	21	11,025.00
Physically Handicapped	3	609.00
Water/Air Pollution Control	2	171,603.81
Veterans	1,118	61,950.00

ASSESSMENTS

TYPE	NUMBER	TAX DOLLARS
Resident Tax	7,644	76,440.00
Yield Tax	12	7,277.34
PILT	1	27,521.75

ASSESSMENTS UPDATE

Building Permits Reviewed	207
Property Transfers Processed	282

SUMMARY INVENTORY OF TAXABLE PROPERTY April 1, 1983

As the Summary below illustrates, the Gross Valuation of the City for Tax Year 1983 is \$190,469,166. The resultant tax (mill) rate, computed by dividing the Appropriations by the Net Valuation, is .035 or \$35.00 per thousand dollars of valuation.

Land	25,122,600	
Building	155,693,466	
Public Utilities	9,653,100	
	GROSS VALUATION	190,469,166
Blind Exemptions	315,000	
Elderly Exemptions	4,200,850	
Physically Handicapped Exemptions	17,400	
Water/Air Pollution Control Exemption	4,902,966	
	TOTAL EXEMPTIONS	9,436,216
	NET VALUATION	181,032,950

The Board of Assessors will continue its policy of striving for fair and equitable administration of the State of New Hampshire assessment laws and the maintenance of its open door policy for those with questions or problems regarding assessments/assessment procedure.

Respectfully submitted,

ROBERT A. PEABODY, JR.
City Assessor



Department Heads Bob Peabody and Robert Theriault working with the City Manager as part of the team for the Union Negotiations.



WELFARE DEPARTMENT'S REPORT

The Welfare Department provides general assistance to the needy of the City of Berlin according to the laws of the State of New Hampshire and participates financially in State Programs of categorical aid. In addition, the Department informs, counsels, refers, and directs applicants to other programs of assistance that are available to them. A total of 2,276 visits were made to the Department this fiscal year.

The following is a statistical summary indicating the amount of cases and persons assisted financially by categories during the fiscal year of 7/1/82 to 6/30/83. Of these cases, 21 cases were transferred to Coos County after receiving 365 days of assistance with the City of Berlin.

CATEGORY	CASES	PERSONS	FAMILIES	SINGLES
Direct Assistance	121	231	57	64
Aid Furnished to Veterans and Their Families	17	34	7	10
Board and Care	4	4	--	4
Out of Town Cases (Reimbursed)	3	6	1	2
Old Age Assistance	6	6	--	6
Aid to Permanently and Totally Disabled	17	17	--	17
Intermediate Nursing Care	44	44	--	44
	212	342	65	147

During this fiscal year, a Workfare Program was implemented which requires a recipient who is able-bodied to work for the City at a job that is within his or her capacity for the assistance it provides at the rate of the legal minimum hourly rate.

Respectfully submitted,

ANNETTE LANGEVIN
Administrator of Welfare

CITY CLERK'S REPORT

SUMMARY OF CITY CLERK'S ACTIVITIES:

Motor Vehicle Registrations	9,681
Financing Statements	390
Termination Statements	21
Dog Licenses	413
Game Room Licenses	19
Bowling Alley License	1
Junk Yard Licenses	3
Tax License	1
Photographer's Licenses	4
Theater License	1
Dance Hall Permit	0

VITAL RECORDS

Births	181
Marriages	93
Deaths	205

Respectfully submitted,

LISE MALIA
City Clerk

LIBRARIAN'S REPORT

July 1, 1982 to June 30, 1983

ACTIVITIES DURING THE YEAR

SUMMER READING PROGRAM:

The theme of the program was "Bug of Knowledge". The children received a book sticker for their chart for each completed project. One hundred and seven children joined the program and forty-seven completed the required projects. A party was held for those who finished. The library staff provided cookies, brownies and munchkins. The film shown was "Zlatch the Goat". Each child received their completed charts and a set of felt-tip pens.

CHILDREN'S BOOK WEEK:

A total of twenty-four classes visited during the weeks of October 26th to November 6th, in observance of Children's Book Week.

ART MONTHS:

The art program was held during the months of March and April. This year's theme was "What does a dragon look like?" Thirty-five entries were received. The projects consisted of posters, clay sculptures, paper-mach'e, and mobiles. Thirteen of these were chosen as outstanding and each child received free passes for roller skating, donated by Skate-Y-Cat in Milan.

STORY HOUR:

Story Hour is held every Thursday morning in July and August. Average attendance is around 20-30 children, who participate in songs, fingerplays, and crafts.

OTHER ACTIVITIES DURING THE YEAR:

Fine Forgiveness Week is held every year, during National Library Week in April.

Three classes from Milan visited the Library during the year.

Co-sponsored program held at New Hampshire Vocational College titled "Ideality and Actuality of Northern New England".

Head Librarian gave talk at Berlin High School on Career Day, attended workshops on applying for grants, workshops on computer science, and attended North Country Forum meetings at Twin Mt. Applied for and received a Grant from the New Hampshire Council for the Humanities for a reading discussion series titled "Quest for the American Dream". This program will be held in the fall of 1983 at the New Hampshire VOTEC College.

Movies are shown every week in the Children's room from January to April.

Respectively submitted,

INEZ HAMLIN
Librarian

CIRCULATION

ADULTS	JUVENILE	TOTAL
43,507	17,550	61,057

LIBRARY RESOURCES

	ADULT	JUVENILE	TOTAL
Total Vols. at End of Year	22,960	11,932	34,913
Total Number of Borrowers	7,757	3,320	11,077

RECREATION AND PARKS DEPARTMENT REPORT

Terrific! That's what the Recreation and Parks Department calls this past year of Life. Be In It programs, special events and activities. Over 100 youth and adult programs were offered to our citizens, with many of them remaining free or at a relatively low cost to each participant.

The participation rates in those programs having fees and charges indicates a growing trend by our citizens to continue to support these programs as well as the new leisure programs that are offered. We also witnessed an increased demand for more physically fit - health oriented programs for women as well as for men. Based on these trends, the Department will continue to select a wider diversity of leisure programs which continue to be available to residents of all ages.

The Department's commitment to our special population was evident in the Friends Understanding Needs (FUN) program and the 1983 North Country Special Olympics. The Department's acquisition of an old school van also permitted us to provide trip programming which included senior citizen population. Future trips will include cultural, social and historical locations.

A major commitment by this Department was to participate in the planning of Berlin's Winterfest '83. This event is destined to become an annual winter event for the Berlin - Gorham area which involves government and private industry.

The efforts of the Parks Maintenance Division continued with their installation of the new playground equipment at Central Park and the repair and installation of fence at the Brown School. This work was in addition to their regular four seasons maintenance schedule, which includes Jericho Lake Park, all sports fields and open space - park areas in the city.

The Department applied for and received a number of grants which include improvements to the Hutchins Street playground which the James River Corporation donated to the City and improvements to Jericho Lake Park through a Federal Jobs Bill grant. The New Hampshire Commission on the Arts also assisted in funding our summer puppet show. Additional grant efforts will be made to supplement our leisure services.



Life. Be in it.

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Life. Be In It is the National Recreation and Parks Association campaign to get people involved in leisure activities throughout their life.

Major concerns of the Recreation and Parks Commission include the public's awareness of the offerings by the Department and what improvements can be made in our publicity effort. The Commission will also embark on a long range study for Jericho Lake Park and alternatives in operations. A new registration policy was approved by the Commission effective September, 1983. The policy permits a special "Berlin residents only" registration period followed by a general public registration. Non-Berlin residents may also be charged a higher activity fee as well. This policy is in response to the increased demand for programs by residents and non-residents alike.

A part of the Life. Be In It philosophy, the Department will continue to provide a four seasons leisure service system for the Berlin community.

Cordially,

LAURA L. VIGER
Acting Director
Berlin Recreation and Parks



PUBLIC WORKS DEPARTMENT REPORT

The activities assigned to the Public Works Department were construction and maintenance of streets, sidewalks, sanitary and surface water systems, regulation of Street Opening Permits, installation and maintenance of street name signs and traffic signs and signals, maintenance of 70 Public Works Department motor vehicles and a number of other City departments, public buildings and street parking facilities, daily household refuse collection and disposal operations (sanitary landfill) for the City of Berlin and a number of surrounding towns, spring and fall clean-up weeks, the maintenance of 3 cemeteries, street salting, sanding, snowplowing and removal.

The Public Works Department also started a new summer program. This program consisted of hiring 6 new summer employees and working a 10 hour, 4 day work week. The summer program proved to be very successful. With the extra help, an 8 foot, 1,000 feet long fence was erected at the Sanitary Landfill on East Milan Road to stop paper from blowing off the site into the woods and onto the highway. Also with the help of the summer crew, the Public Works Department was able to lower

the granite curbsing at most of the downtown sidewalk intersections to accommodate the blind and wheelchairs.

Seal coating by Bell & Flynn consisted of the following:

Ward I	11,901 sq. yds.	\$ 8,330.70
Ward III	13,164 sq. yds.	9,214.80
Ward IV	3,600 sq. yds.	2,520.00
Liberty Park	4,812 sq. yds.	3,368.40
TOTAL	33,477 sq. yds.	\$23,433.90

Repaired Catch Basins & Manholes	99
Replaced Drain Lines	282 feet
Replaced Sewer Lines	574 feet
Private Sewer Calls	44
Mainline Sewer Calls	22
Salt for Winter Usage	1,939.70 tons
Sand for Winter Usage	611.20 tons

Submitted by:

MAURICE WHEELER
Public Works Director

BERLIN WATER WORKS REPORT

Between June 28, 1982 and June 27, 1983, water entering the distribution system collectively from our two treatment plants and Brown Farm Well totalled 1,111 million gallons, 188 million gallons less than the previous period and represents about 515,000 gallons average per day less than the previous report average day. The reduction can be attributed to our leak detection program and water line improvements made during the year.

To prevent freezing of water lines, the annual running water program was started on January 21, 1983 and ended on April 15, 1983. Due to the unusually mild winter, freezing of service lines was considerably less than the past winter season with Water Works personnel providing thawing services to 13 customers which included 9 electric thaws, 2 hot water thaws and 2 service lines dug. In addition, Water Works crews answered 6 cellar calls which were referred to plumbers.

Mayor and Council appropriated \$150,000.00 for water improvements during City Fiscal Year 1983. These funds have been set aside in a segregated fund account for the installation of a sixteen-inch main across the Androscoggin River near Mason Street. This main will replace the 12-inch main that was formerly attached to the YMCA Bridge, which has been torn down. Construction of the main is being administered by the Community Development Director, Mr. Jeffrey H. Taylor, and is anticipated to be under construction during 1984.

The fall and spring interest and principal payments in the amount of \$183,700.00 due on the Bond for the Androscoggin Water Treatment Facility was paid to the City out of assessment funds collected from customers.

The 1983 operations budget approved by the Water Board was \$25,498 less than the 1982 budget. The decrease was primarily due to reduced operational cost at the East Milan Road Treatment Facility and reduced winter thawing expense.

Water rates have not been increased during this report period.

A program of replacing old meters was started which will result in more accurate water consumption usage figures for billing purposes.

Our ongoing leak detection program has saved considerable amount of water loss from mains, hydrants and services.

During the calendar year of this report the Water Commissioners voted to replace about 990 1.5 of 6-inch badly deteriorated cast iron water main on Glen Avenue with twelve-inch ductile iron pipe. In addition, it was voted to install a new hydrant installation on Glen Avenue. This project was recommended to be undertaken by our Consultants in their 1977 Engineering Report for Water Supply Distribution and Storage for the City of Berlin. Total cost of the Glen Avenue Project



Berlin Water Works Treatment Plant Operator, Paul A. Roy, analyzing water sample for compliance with Safe Drinking Water Standards. PHOTO BY: ROSE DODGE

was \$27,944.25 and was funded by using assessment funds. Other construction projects undertaken by the Board are as follows:

PROJECT	TOTAL COST
Norway St. (11th to 12th St.)-880 ft-8" main	\$34,704.86
Main St. (High to Pleasant)-180 ft-1" main	1,135.97
Lower Park St. - 120 ft-8" main	9,508.48
Columbia & Hutchins Tie-In-Connect 6" to 16"	5,526.44
Howard St. (Noury-Woodward)-6" main & hydrant	24,090.72
Hutchins (Bridge to Turcotte) Eliminate 2" line	21,071.35
Willard St. (River-High School) Eliminate 2" line	20,605.06
Pershing Ave. - 10 ft. of 8" main	22,144.93
Carroll St. (Belknap-Coos) Eliminate 2" line	5,965.36

Except for Norway & Lower Park Street Projects, which were paid for by City Fiscal year 1982 funds, all others were paid for by using assessment funds.

Our ongoing program of replacement of old hydrants was continued with 24 new hydrants purchased for installation.

Respectively submitted,

ALBIN D. JOHNSON, P.E.
Superintendent & Chief Engineer

BERLIN POLLUTION CONTROL REPORT

The Berlin Pollution Control Facility, located on Devens Street Extension, has been in operation for four years. The past year has once again resulted in changes and modifications in the operation of the Plant.

Between July 1, 1982 and June 30, 1983, the Wastewater Treatment Facility received and treated 753 million gallons of wastewater. In that same time span, 945,000 pounds (473 tons) of solids and 1,012,333 pounds (506 tons) of BOD (Biochemical Oxygen Demand) were removed from wastewater. Simply speaking, the treatment process prevented 350,000 pounds (175 tons) of raw sewage sludge from being discharged directly into the Androscoggin River. The over-all operating efficiency for Fiscal Year 1982-1983 was 93% removal of solids and 94% removal of BOD.

Currently, approximately 60% of the total capacity of the Plant is utilized. The anticipated increase in daily flow due to the completion of the East Side Sewer Project and/or additional flow from residential or industrial expansion can easily be handled by the present system.

All personnel actively involved with process control hold a minimum of Grade II Operators License, issued by the State of New Hampshire Water Supply and Pollution Control Commission. Throughout the past year, all employees were involved with continual review and new training classes to provide for professional growth and improvement in the area of wastewater technology.

Efforts at energy conservation are continuing to obtain the most economical yet effective means for operating the Pollution Control Department. In 1982-1983, the annual cost

to treat the yearly flow of 753 million gallons was significantly less than one-half cent per gallon, reflecting those efforts to keep the cost of operation to minimum for you, the taxpayer.

As we at Pollution Control enter a new fiscal year, our goals for 1983-1984 remain to strive for further personal and professional growth resulting in higher licensing for all personnel, improvement in the operating efficiency, if technically possible and, of course, to continue to provide the most conscientious, cost efficient operation of the Facility. Assuring the citizens of Berlin that their tax dollars are wisely spent in the never ending effort to improve upon the quality of our environment.

Respectfully submitted,

CHARLES P. McDOWELL, JR.
Superintendent/Chief Operator



Quality Control Testing Room for the Pollution Control Plant.

BERLIN FIRE DEPARTMENT REPORT

The Fire Department is responsible for the protection of persons and property from fire. This includes fire prevention as well as fire suppression. The Department is also responsible for electrical services of all other City Departments, including the schools.

The total number of full time personnel is twenty-four, including the two electricians. In addition, there are twenty-seven call-men.

The Department operates eleven vehicles: four pumpers, one ladder truck, one tank truck, one jeep, one electrical van, one bucket truck, the Chief's car and the fire prevention car.

The following is a brief summary of Fire Department activities from July 1, 1982 to June 30, 1983.

DESCRIPTIONS	TOTALS
Dwellings	27
Chimney Fires	49
Stores	18
Mills & Factories	12
Garages	1
Brush & Dumps	23
False Alarms	84
Vehicles	19
Service Calls	66
Misc. Fires	29
Inspections	297
GRAND TOTAL	625

Respectively submitted,

ROBERT J. THERIAULT
Fire Chief



REPORT OF THE POLICE DEPARTMENT

The function of the Police Department is to serve mankind, safeguard lives and property and protect the peaceful from violence. The Department is also charged with the enforcement of the laws of the State of New Hampshire and the laws and Ordinances of the City. Some of the Departmental activities during the past fiscal year include lecturing to numerous organizations, firearms training for northern New Hampshire, supervising Police Explorers Association, an organization for high school youths who wish to become police oriented, and the following:

Complaints, investigated	1,551
Escorts	122
Auto accidents, investigated	460
Doors found unlocked	134
Blood runs	16
Dog complaints	351
Dogs to pound	46
Dog summonses	13
Fires reported	7
Deaths investigated	3
Messages delivered	43
Equipment escorts	20
Assistance given	116
Domestic Violence Petitions served	45

INVESTIGATIONS:

Assaults, aggravated	5
Assaults, other	28
Summonses, motor vehicle violations	779
Burglary, breaking and entering	39
Auto thefts	9
Drug offenses	53
Larceny	112
D.W.I.	91
Violation of liquor laws	15
Disorderly	11
Criminal mischief	114
Criminal threatening	21
Criminal trespass	28
Harassment	6
Thefts	46

Other investigations of the Police Department include: Overweight Vehicles, Spillage of Material, Soliciting, Non-Support, Fugitives from Justice, Receiving of Stolen Property, Arson, Drinking in Public, False Fire Alarm Reporting, Cruelty to Animals, Sexual Assaults, Incest, Lewdness, Littering, Shoplifting, Reckless Conduct, Resisting Arrest, Altering Prescriptions, Issuing Bad Checks, Bench Warrants, Forgery, Parking Tickets, Rape, Illegal Possession of Alcoholic Beverages, Felons in Possession of Firearms, and many other offenses too numerous to mention.

Respectively submitted:

JOSEPH MARTIN
Police Chief/City Marshal

HEALTH DEPARTMENT REPORT

INSPECTION SERVICES OF THIS DEPARTMENT

Zoning (see attached sheet)
Housing (see attached sheet)

MEDICAL-CLINICAL SERVICES

Number of Office Patients 306
Number of Office Visits 477

IMMUNIZATIONS & TESTS GIVEN DURING TYE YEAR

Oral Polio Vaccine 114
D.T.P. Injections 114
Measles, Mumps, Rubella Vaccine 16
Mumps Vaccine 1
T.B. Tests 73
T.B. Mantoux Tests 6
Immune Serum Globulin 12

CLINIC ATTENDANCE RECORD

Monthly Immunization Clinic 131
Pediatric Diagnostic Clinic 4
Cardiac Clinic 43
Genetic Clinic 18
Flu Shots 280
Blood Pressure Screening 539
Blood Pressure Rescreening 41
Blood Pressure (Industrial Screening) 201
Number Referred to Doctor 4

PUBLIC HEALTH NURSING

Number of Home Nursing Visits 1,937
Number of Home Nursing Patients 769
Number of Home Health Aid Visits 299
Number of Ambulance Calls in Contract area 829
Number of Ambulance Calls outside Contract area 166
Number of School Nursing Visits 108
Number of School Inspections by Nurse 446
Number of Children Referred to State Social Agencies 13
Number of Adults Referred to State Social Agencies 6

SPECIAL SCHOOL TESTING PROGRAMS

Maico Hearing Tests and Retests 159
Eyes 71

Respectfully submitted,

ROBERT A. DELISLE
Health Officer



ZONING REPORT

Public Hearings Held ----- 6
Appeals Filed ----- 9
Variances Granted ----- 5
Variances Denied ----- 4

ZONING BOARD MEMBERS

John Scarinza, Chairman
Ronald Goudreau, Vice Chairman
Herve Blais, Secretary
Richard Poulin
Ernest Guay

ALTERNATE MEMBERS

Robert Boulanger
Roland Lamontagne
Ann Conway
Donald Laroche

Respectfully submitted,

JOHN SCARINZA
Zoning Board Chairman



BUILDING INSPECTOR'S REPORT

PERMITS ISSUED

8	New Homes	272,000.00
31	Residential Additions	89,945.00
102	Residential Alterations	430,967.00
18	Garage-Carports-Storage	46,050.00
17	Residential Demolitions	10,800.00
4	Commercial Additions	21,500.00
25	Commercial Alterations	183,110.00
1	Commercial Demolition	
5	Industrial Buildings	522,000.00
1	Swimming Pool	1,800.00
18	Signs	15,595.00
24	Siding	103,469.00
16	Plumbing	24,108.00
149	Electrical	184,960.00
419		1,906,304.00

ESTIMATED COST

This report excludes estimated cost of construction projects at James River.

FERNAND VILLENEUVE
Building Inspector



HOUSING INSPECTOR'S REPORT

Moderate Rehab.	12 buildings - 47 rental units
Subsidy Loans	13
Rooming House Permits	37
Inspections upon Complaints	21
Student Housing	29
Community Development Grants	4
Downtown Rehab. Loans	8
Units Inspected (BHA)	140
Violations Found	24
Violations Corrected	24
Units Condemned	18
Progress Inspections	21
Rooming House Units	101
Structures Inspected	202

This report includes inspections conducted for the Berlin Housing Authority under the Section 8 Program and inspections for the Community Development Department in regards to home improvement and the upgrading of neighborhoods within defined areas in the City.

Respectfully submitted,

NORMAN G. ROLLINS
Housing Inspector

COMMUNITY DEVELOPMENT DEPARTMENT REPORT

The Community Development Department functions as the City's professional planning staff and the administrator of federal grants from the U.S. Department of Housing and Urban Development, the U.S. Economic Development Administration, and other sources. The year 1982 saw the Department complete two projects which had been planned for many years, namely, the James C. Cleveland Bridge south of the downtown, and the reconstruction of Main Street in the downtown business district. With these two major objectives accomplished, the Department has begun planning new projects to further stimulate revitalization of Berlin's infrastructure and economy.

MOXIE ALLEY

The Community Development Department is cooperating with the U.S. Soil Conservation Service to construct a new channel for the Dead River through the Moxie Alley in downtown Berlin. Current plans call for the construction of a pedestrian mall through the alley, including the installation of trees, benches, and lighting. This attractive area will encourage people to visit the downtown and patronize local businesses. Construction of the channel is planned for 1985.

EAST SIDE ARTERIAL

The James C. Cleveland Bridge is the first component in plans for an arterial highway linking Route 16 south of the downtown with the James River Corporation plant and ultimately the Maynesboro Industrial Park to the north. The next anticipated component of this arterial will include reconstruction of Coos Street from Unity Street to Rockingham Street and construction of a new highway from Coos Street to Hutchins Street at Columbia Street.

In addition to these major planning efforts, the Community Development Department has continued to administer and coordinate the City's existing revitalization programs, including the following.

DOWNTOWN REVOLVING LOAN FUND

The Community Development Department applied for and received federal money which it is using to guarantee low interest loans for commercial property improvements in the downtown. The Berlin Economic Development Council (BEDCO) which administers these loans, has granted loans in 1983 to fund improvements at Berlin Drug, Morin's Shoe Store, Berlin Reporter Building, and 39 Union Street.

COMMUTER AIR SERVICE

Commuter Air Service between the Berlin Municipal Airport and Boston began in July 1982, thanks to the award of a fourteen month operating subsidy by the federal Civil Aeronautics Board. The two daily round-trip flights have been provided by Air Vermont. The Community Development Department is attempting to secure an extension of the CAB operating subsidy at a reduced level, in order to provide air service into 1984. Support for and patronage of the air service has exceeded the City's and CAB's expectations.

NEIGHBORHOOD IMPROVEMENTS

The Community Development Department continued to provide loans to property owners in the East Side and Downtown neighborhoods for the rehabilitation and improvement of their residential buildings. These loans are available at substantially reduced interest rates and have proven to be very popular.

Other activities administered and/or funded with Community Development secured funds were improvements to Community Field and street and sidewalk repairs in targeted areas of the City.

JEFFREY H. TAYLOR
Community Development Director



BERLIN CITY PLANNING BOARD REPORT

The State of New Hampshire's planning enabling legislation assigns the following basic responsibilities to local planning boards:

1. To publish a municipal master plan and plan and promote public interest in and understanding of it.
2. To make investigations and recommendations relating to the planning and development of the municipality.
3. To consult with and advise public officials, agencies and citizens with regard to carrying out the master plan and the development of the municipality.

During the past year, the Berlin City Planning Board met monthly in pursuit of the above responsibilities. Significant accomplishments include:

1. Recommended a new "Special Use Zoning Permit" System to City Council that would encourage industrial development in the City.
2. Cooperated with the Berlin Water Works to develop a program for improvements to Berlin's water system, including: a 2M gallon storage tank, a new river crossing, and an ongoing leak detection program.
3. Reviewed all transfers of municipal property and proposed land donations.
4. Studied the problems and alternatives in the Route 110/Route 16 connection problem.
5. Continued study of the paper streets issue and developed background for new City policy on ownership of paper streets.
6. Adopted new Subdivision Regulations to replace the outdated, 20 year old original regulations.

During the coming year, the City Planning Board will continue to plan the future of Berlin and make recommendations for orderly, well-planned, long-range development. The Board meets at City Hall the first Thursday evening of each month.

RICHARD H. VAILLANCOURT
Chairman

ECONOMIC DEVELOPMENT REPORT

As of June 30, 1983, Berlin's full time Economic Development Team has been in place and operating for four years and four months and, despite adversities, its cumulative efforts are returning dividends to the City and area economy.

THE ECONOMY - CURRENT SITUATION

National economic conditions have continued to adversely affect our local economic development activities. While prime interest rates have continued to decline from 16 1/2 percent to a seemingly stable 10 1/2 - 11 percent range, due to the major decline in inflation, the true interest rate is still extremely high. These high relative rates and the uncertainty in money markets due to massive federal deficit overhand continue to inhibit long term capital investment decisions by industry. The long recession theoretically ended last November and future activity indicators are brighter, but the length and depth of the recession has taken a severe toll. On the plus side, inflation is now minimal and national factory utilization rates, from an October historic low of 67.4 percent have climbed back up to 74.5 percent. Continued improvement of this key indicator to 80 percent or better will heighten new economic development activity.

THE LOCAL SITUATION

A. The City has been able to maintain a full time professionally staffed Economic Development Office for the last 52 months at a total City cost of \$20,129.10 with the balance of expenses for this function coming from federal grants and program interest income earned by BEDCO.

B. While new prospect activity has been at a relatively low level and the originally expected early 1982 economic upturn turned into a lengthy economic decline instead, continued close coordination of our non profit Berlin Economic Development Council, Inc. (BEDCO), the City's Berlin Industrial Development and Park Authority (BIDPA) and the City Economic Development Office together with the full support of the Mayor and Council, City Administration, and local Chamber of Commerce and business community has helped to provide continued assistance to our industrial economy. These successful working relationships will make taking advantage of a business upturn and renewed prospect activity effective and timely. This teamwork has helped the Berlin area weather the recession relatively well with the Berlin Job Center unemployment rate, although high, holding below the Berlin Local Office area rate, contrary to past trends. Our Berlin Job Center unemployment rates for the past four years have been: 1979 - 9.6%; 1980 - 6.7%; 1981 - 6.8% and 1982 - 10.7%. Our annual employment has remained fairly stable (1979 - 8,070; 1980 - 8,110; 1981 - 8,370 and 1982 - 8,110) with the unemployment fluctuations caused mostly by differing labor force figures.

C. Since October, 1982, our non profit development financing corporation (BEDCO) has been caught in the middle between two federal agencies, the Economic Development Administration and the Inspector General's Office of the Department of Commerce. Unfortunately, although BEDCO has operated legally and in compliance with its EDA approved grant terms and Loan Administration Plan, BEDCO has been charged with improper actions in violation of other federal rules and regulations. While we hope and expect that this matter will be cleared up satisfactorily in the near future, it has placed BEDCO in an untenable position in dealing with EDA and possibly qualifying for a further augmentation grant for its Industrial Revolving Loan Fund.

D. James River Corporation is proceeding with its three year capital investment program, helping to ensure its viability, profitability and stability as Berlin's largest employer.

E. During the past year and a half, BEDCO has administered the placement of six Downtown Revolving Loan Fund loan guarantees totaling \$227,650 for physical improvement of retail and commercial facilities. Two more guarantees were approved prior to June 30 and are pending closing. The funds for these Downtown Revolving Loan Fund guarantees were provided from the City's HUD funded Community Development Small Cities program.

F. The long economic decline has caused some losses to our economy. Caron Moc, Inc. filed bankruptcy in September, 1981, followed by Northern Fabricators, Inc. and Currier Graphics, Inc. in 1982. In addition, American Skate Corporation, as of June 30, was barely holding on, hoping that product diversification would bring needed new customers and sales. These business losses have caused some financial loss to both BEDCO and the Industrial Development Authority and some job losses.

G. On the plus side, the loss of Caron Moc was more than made up for by the arrival of G. H. Bass in the old Converse plant and the establishment of Munro Enterprises' Oxford Group of New Hampshire to replace Currier Graphics. In addition, A & B Electronics Company, Inc. has moved to the Authority owned NVA building expanding its space under lease by 3,000 square feet and Gamm, Inc. with Authority assistance, has constructed a 7,000 square foot expansion to its original 10,500 square foot industrial park building and is contemplating further expansion. A small, new industrial service firm, Nordic Valve, has located on Goebel Street and B & G Automotive Electronics has moved to larger leased quarters on Goebel Street. Isaacson Structural Steel has now completed two buildings on the former dump site on Route 110 which it purchased from the City last year. Scanwood and Altama Delta continue to operate successfully with minor changes in status.

H. New industrial job totals, with all the changes, both losses and gains, were 550 in June 1983 compared to 500 in June of 1982. While down from the 670 total of June 1981, the improving economy should cause further job growth as Gamm alone is planning to add another 50 employees.

I. We have found the Air Vermont twice daily scheduled service from Berlin to Boston to be of assistance in dealing with out-of-area industrial prospects and are hopeful of its continuation at the September 30 expiration of its current Civil Aeronautics Board subsidized service.

J. The new "stitching trades" firms in place provide diversified company employment equivalent to that lost when Converse closed, thus the City's economic development efforts continue to be directed toward attraction to existing industries. Although more time consuming and somewhat riskier, emphasis is being placed on attracting or helping firms with larger capital investment per job, products in the metals, wood, plastics and electronics fields and higher paying and frequently more male jobs. The firms sought are more likely to be smaller employers initially but ones with good potential for future growth.

Our improving job stability from employer diversification and increasing manufacturing employment have helped Berlin to weather the national recession reasonably well. From our present relatively stable base, increased levels of activity, as the national economy picks up, should lead to further economic activity and growth. Thus, Berlin can now look to an improving economic future and our continued economic development program efforts with full governmental and community support should help ensure this future.

R.H. SHERMAN, C.I.D.
Economic Development Director



BERLIN PUBLIC SCHOOLS

The 1982-1983 school year was a very good one for the Berlin Public Schools. A number of important changes were made, such as the transition of the junior high school to a middle school and the move of grade nine to the high school, and they resulted in the improvement of education in Berlin. There was a high degree of leadership provided by the Board of Education and the implementation of the Board's policies was facilitated by a very high quality, professional staff. Despite the fiscal constraints under which the schools were operated, the school system remained one of which all citizens of Berlin could be proud.

In the elementary schools, our efforts to improve instruction continued. There were beginning efforts to implement a computer literacy program while the basics of arithmetic, reading and language arts continue to be stressed. The bilingual and Chapter I programs continued to operate successfully, thereby increasing the range of offerings available to public school children.

The middle school also had a successful 1982-1983 school year. Considering that this was the first year in which grades five through eight were in the same building, there were remarkably few problems. Efforts were made to expand industrial arts and art offerings to grades five and six and they were moderately successful in spite of staff reductions made in response to fiscal constraints. Grades five and six remained self-contained, with students moving for their specialty subjects (art, music, physical education). Grades seven and eight were departmentalized and operated on a six-period day.

At the high school, we experienced a fairly severe problem of overcrowding. With grade nine in the high school, the enrollment increased to over 850 students in a building, which was built for 750 students. In the academic area, a major change was in the increased offerings in computer literacy and the use of computers in the classroom. Federal funds were used to equip a microcomputer laboratory which will be of great help to all present and future students at Berlin High School.

The extra-curricular programs, inter-scholastic and intramural, were also operated very successfully. The girls' field hockey, basketball, and softball teams all qualified for the state tournament and proved to be excellent representatives of our high school and city. The boys' teams likewise represented our city well in the hockey and basketball state play-offs. None of these teams won a state championship, but all participants brought great credit to themselves, their parents, the school and the city.

There was continued expansion in the special services area, adding to the stock of educational services available to our learning or physically disabled students. An on-site evaluation by the state was made of our special education programs and it resulted in approval of our programs for a five-year period, the maximum awarded by the state. The credit for this must go to the entire special education department, from the director through the teachers and aides.

Our buildings continued to be used by non-school groups. Previously established cooperative efforts were maintained with the Recreation Department, the Community Concerts Association, Theatre North, and Special Olympics. This cooperation results from the firm belief held by the Board and administration that the schools are a community resource and should be used, when available, by community groups for the betterment of the community.

The preventive maintenance program continued in our buildings. The electrical system in the middle school continued to be updated, the painting of gymnasiums was completed, and office space at the Bartlett school was expanded. It is important to note that our buildings are in fine shape and that those who use them do so with great care. The students take very good care of the buildings and this is a fact of which the entire community should be proud.

Although 1982-1983 was a very successful year, continued improvements in the Berlin Public Schools must be sought. Our major goal this year is to review and update, where necessary, the curriculum. This was a goal which had been set by the Board and administration some months ago, but it has become more urgent with the publication and public discussion of the numerous reports on the status of education. The Board and all school employees will continue to work very hard for school improvement; it will not be possible, however, without the continued support of the community.

Respectfully submitted,

ALAN F. PERRIN, Ph.D.
Superintendent of Schools



REPORT OF THE BERLIN HOUSING AUTHORITY

MODERATE REHABILITATION

At year's end, all but two of the 49 dwelling units in the BHA's Moderate Rehabilitation (MR) program had been placed under agreement with private owners. Forty-four of the 47 units were under contract, three were undergoing rehabilitation and expected to be ready for occupancy within 30 days, and an owner proposal requesting rehabilitation assistance for the program's last two uncommitted dwelling units was under review.

All told, the average dollar amount of rehabilitation work completed on the MR program's first forty-four units was slightly under \$4,500 per apartment, money that will be recovered by the building owners over the terms of their contracts with the BHA provided the dwellings are properly operated and maintained for occupancy by lower-income households. The types of rehabilitation which have occurred most frequently include electrical, interior refinishing, energy conservation measures, heating and plumbing work.

ASSISTED HOUSING NOTES

* Because of severely reduced federal funding levels, the BHA was unable to expand either its MR or Section 8 EXISTING HOUSING programs in 1982, and, at this writing, is not overly sanguine about its prospects for receiving additional assisted housing units during the current federal fiscal year (ending September 30, 1983).

* During 1982, the City Health Department inspected 129 EXISTING HOUSING units and found 13 of them did not meet the EXISTING HOUSING program's quality standards. Needed repairs were made by the owners of all but two of the 13 units.

* As of December first, the average housing assistance payment (HAP) made to private landlords on behalf of lower-income households participating in the EXISTING HOUSING and MODERATE REHABILITATION programs was \$171 per month. A HAP represents the difference between the gross rent being charged for a dwelling and the portion of the rental which an assisted family is required to pay. The family's portion of the rent is based on its income.

* On the average, the Authority pays sixty-three percent of the total shelter costs of those households participating in the EXISTING HOUSING and MODERATE REHABILITATION programs and, at present, is making housing assistance payments to private owners at an annual rate of more than \$350,000.

Respectively submitted,

DONALD MANGINE
Executive Director



BERLIN HOUSING AUTHORITY BALANCE SHEET (December 31, 1982)

ASSETS

CASH	\$ 72,553
ACCOUNTS RECEIVABLE	1,481
ADVANCES - REVOLVING FUND	1,632
INVESTMENTS	
General Fund	77,000
Security Deposits Fund	3,670
DEBT AMORTIZATION FUNDS	
HUD Annual Contributions Receivable	78,323
DEFERRED CHARGES	
Prepaid Insurance	540
LAND, STRUCTURES & EQUIPMENT	1,300,382
TOTAL ASSETS	<u>\$1,535,581</u>

LIABILITIES AND CAPITAL

LIABILITIES	
Accounts Payable	\$ 14,995
Notes Payable	1,018,362
Prepaid Annual Contributions	38,717
Prepaid Rents	63
TOTAL LIABILITIES	<u>\$1,072,137</u>

CAPITAL	
Operating Reserves	\$103,101
Cumulative HUD Annual Contributions (net)	<u>360,343</u>
TOTAL CAPITAL	<u>463,444</u>
TOTAL LIABILITIES AND CAPITAL	<u>\$1,535,581</u>



FINANCIAL REPORT

The Finance/Collection Departments are responsible for the recording and record keeping of all financial transactions of the City.

The year end, 06-30-83, financial reports for the City's General Fund and all other Funds are in the accompanying Audit Report.

In addition, this Department administers all Insurance and Retirement Programs for the City and School Departments.

To accommodate the public, the Collection Department is now open from 8:30 a.m. through 4:30 p.m. - Monday through Friday.

Respectfully submitted,

ALINE A. BOUCHER
Comptroller/Collector



Please Detach at Perforation

CITIZEN RESPONSE SURVEY

Dear Citizens:

Please take a few minutes to answer this survey. Your ideas about the City of Berlin are important. Please return this form to the City Manager's Office - City Hall, Main Street - Berlin, NH 03570, by April 12, 1984. Thank you!

1. What projects do you feel the City should be involved with? (You may check more than one)

- ☐ Housing rehabilitation for existing structures
- ☐ Off street parking in the downtown
- ☐ Improvements to the Moxie Alley downtown
- ☐ Water systems improvements
- ☐ Expansion of the Industrial Park
- ☐ Another industrial park location
- ☐ Demolition of deteriorated structures
- ☐ Completion of the East Side artery
- ☐ Airport improvements
- ☐ Completion of Route 110
- ☐ Reuse of vacant city buildings
- ☐ Demolition of vacant city buildings
- ☐ Retail marketing program

- ☐ Stimulate new housing
- ☐ Annual street and sidewalk improvements
- ☐ Assist in developing new jobs
- ☐ Assist expansion of existing businesses
- ☐ A cost effective new Public Works building
- ☐ Seek improvements to regional transportation - rail/road/air
- ☐ Promotion of Berlin for industry - tourism
- ☐ Develop a pedestrian walk bridge to replace the Bridge
- ☐ Street Bridge
- ☐ Other(s) _____

2. Do you have any constructive suggestions as to how we should proceed to do the above?

3. Do you have an interest in serving on a City Board/Commission? Yes _____ No _____ If yes, which one(s) _____

4. OPTIONAL: Please give us your name and address: _____

CITY OF BERLIN
BERLIN, NEW HAMPSHIRE

ANNUAL FINANCIAL STATEMENTS
for the year ended June 30, 1983

Honorable Mayor, City Council and City Manager
City of Berlin, New Hampshire

We have examined the financial statements of the various funds and the general long-term debt account group of the City of Berlin, New Hampshire for the year ended June 30, 1983, listed in the foregoing table of contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The City has not maintained records of the cost of its general fixed assets and, accordingly, a statement of general fixed assets, required by generally accepted accounting principles, is not included in the accompanying financial report.

Budgetary control over certain grants accounted for in the Special Revenue Funds is maintained on the basis of the fiscal periods of the grants. Accordingly, a Statement of Revenues, Expenditures and Encumbrances - Budget and Actual for those Special Revenue Funds for the year ended June 30, 1983 is not presented as required by generally accepted accounting principles.

The financial statements of the Berlin Water Works, Cemetery Trust Funds, Berlin Economic Development Council, Inc. and the Berlin Airport Authority have not been included as part of the accompanying financial report as required by Statement 3 of the National Council on Governmental Accounting.

As set forth in Note 11 to the financial statements, the City is a party to various legal actions for substantial amounts with contractors and engineers in connection with the construction of a wastewater treatment system. The ultimate liability resulting from these matters cannot be reasonably estimated and no provision for any liability that may result has been made in the financial statements.

In our opinion, except for the effects of the matters discussed in the second through fourth paragraphs of this report and subject to the effects on the financial statements of such adjustments, if any, as might have been required had the outcome of the uncertainty referred to in the fifth paragraph of this report been known, the financial statements of the various funds and the long-term debt account group of the City of Berlin, New Hampshire

referred to in the first paragraph present fairly the financial position of those funds at June 30, 1983 and the results of operations of such funds and the changes in financial position of the Industrial Development and Park Authority and Sewer Fund for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year, except for the change, with which we concur, in the method of recognizing general property tax revenue. (See Note 13.)

The financial statements referred to in the foregoing opinion appear on pages 3 to 28, inclusive, in this report. Our examination was made primarily for the purpose of forming an opinion on these basic financial statements, taken as a whole. The other data included in this report on pages 29 to 33, inclusive, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Coopers & Lybrand

Portland, Maine
September 9, 1983

CITY OF BERLIN, NEW HAMPSHIRE
ALL FUND TYPES AND GENERAL LONG-TERM DEBT ACCOUNT GROUP
COMBINED BALANCE SHEETS

June 30, 1983

	Governmental Fund Types			Proprietary Fund Type Enterprise Funds	Fiduciary Fund Type Agency	Account Group General Long-Term Debt
	General Fund	Special Revenue Funds	Debt Service Fund			
ASSETS						
Cash and cash equivalents	\$1,070,938					
Certificates of deposit	300,294					
Taxes receivable - delinquent	550,723					
Taxes receivable - current	46,430					
Accounts receivable	331,637					
Reserve for property taxes	(516,041)					
Due from federal and state governments		\$311,769		\$ 347,953		
Net investment in direct financing leases (Note 6)				(119,500)		
Due from other funds	654,475			39,368		
Due from Berlin Water Works	244,150	41,445	\$17,020	35,582		
Prepaid expenses and other assets	98,578			10,000		
Inventory				9,300		
Total current assets				322,703		
Investment property (Note 6)				357,924		
Net investment in direct financing leases (Note 6)				1,139,212		
Property and equipment				185,210		
Wastewater treatment facility (Note 7)				22,931,253		
Accumulated depreciation				(1,763,039)		
Amounts available in Debt Service Funds						\$ 17,020
Amounts to be provided for retirement of general long-term debt by:						
City						3,800,902
State						2,992,078
Total assets and amounts available and to be provided for retirement of General long- term debt	\$2,751,184	\$353,214	\$17,020	\$23,193,863	\$2,831	\$6,810,000

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE

ALL FUND TYPES AND GENERAL LONG-TERM DEBT ACCOUNT GROUP

COMBINED BALANCE SHEETS, Continued

	Governmental Fund Types			Proprietary Fund Type Enterprise Funds	Fiduciary Fund Type Agency	Account Group General Long-term Debt
	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Funds		
LIABILITIES						
Federal aid anticipation notes payable (Note 9)				\$ 861,877		
Bond anticipation notes payable (Note 9)				1,500,000		
Accounts payable	\$ 38,585	\$ 7,846		65,228		
Retainage payable				501,275		
Deferred revenue	76,440				\$ 4,849	
Notes payable and current portion of long-term debt						
Other liabilities and accrued expenses	270,216	8,217		31,858		65,876
Taxes collected in advance	1,314,059	258,768		445,568		32,931
Due to other funds					\$ 2,831	
Total current liabilities						225,703
General long-term debt payable (Note 10)						1,025,014
Total liabilities	1,699,300	274,831		3,405,806		\$6,810,000
FUND EQUITY						
Contributed capital						
Retained earnings						
Fund balances:						
Reserved for encumbrances	155,062	4,620				21,803,802
Reserved for appropriations carried forward	531,813	11,134				139,344
Unreserved:						
Designated for debt service			\$17,020	(3,140,614)		
Designated for capital projects (Note 14)	365,009	62,629				
Undesignated	1,051,884	78,383	17,020	(3,140,614)		21,943,146
Total liabilities and fund equity	\$2,751,184	\$353,214	\$17,020	\$ 265,192	\$2,831	\$6,810,000

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE

ALL GOVERNMENTAL FUND TYPES

COMBINED STATEMENTS OF REVENUES, EXPENDITURES, OPERATING
TRANSFERS AND CHANGES IN FUND EQUITY

for the year ended June 30, 1983

	General Fund (Note 3)	Special Revenue Funds	Debt Service Fund	Capital Projects Funds
Revenues:				
Local:				
Property taxes	\$5,657,046			
Resident taxes	73,510			
Other taxes	39,031			
Licenses, permits and fees	326,768			
Charges for services	629,474	\$ 204,187		\$ 61,686
Interest income	256,300			
Fines and forfeits	20,689			
Other revenues	20,833	4,147		95,792
Total local	7,023,651	208,334		157,478
State shared revenues and grants	1,887,445	424,268	\$ 364,591	
Federal:				
Federal entitlements and grants		1,073,874		644,752
Total revenues	8,911,096	1,706,476	364,591	802,230

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE

ALL GOVERNMENTAL FUND TYPES

COMBINED STATEMENTS OF REVENUES, EXPENDITURES, OPERATING
TRANSFERS AND CHANGES IN FUND EQUITY, Continued

	General Fund (Note 3)	Special Revenue Funds	Debt Service Fund	Capital Projects Funds
Expenditures:				
Current:				
General government	\$ 1,148,107	\$ 158,436		
Public safety	1,237,913	225,000		\$ 182,619
Highways and streets	1,068,670	25,000		126,997
Health	116,003	110,442		2,008,282
Welfare	118,970			189,840
Culture and recreation	198,075	7,940		1,579,440
School department	3,843,786	512,931		
Other	46,908	91,000		
Debt Service:			\$ 720,000	
Redemption of serial bonds			391,940	
Interest on serial bonds				
Interest on federal aid anticipation notes				
Interest on bond anticipation notes		547,907		
Capital outlays				
Legal expense				
Write-off of uncollectible receivable (Note 14)				
Total expenditures	7,778,432	1,678,656	1,111,940	4,087,178
Excess (deficiency) of revenues over expenditures	1,132,664	27,820	(747,349)	(3,284,948)
Operating transfers:				
Transfers in			562,514	154,536
Transfers out	(567,717)	(149,333)	183,700	
Transfer from Berlin Water Works			746,214	154,536
Total operating transfers	(564,717)	(149,333)		
Excess (deficiency) of revenues over expenditures and operating transfers	564,947	(121,513)	(1,135)	(3,130,412)
Fund equities, beginning of year as previously reported	781,593	188,621	18,155	1,073
Restatement (Note 13)	(294,656)			
As restated	486,937	188,621	18,155	1,073
Equity transfers in (out)		11,275		(11,275)
Fund equities, end of year	\$ 1,051,884	\$ 78,383	\$ 17,020	\$ (3,140,614)

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, TRANSFERS AND ENCUMBRANCES -
BUDGET AND ACTUAL

for the year ended June 30, 1983

	Budget (Note 3)	Actual (Note 3)	Actual Over (Under)
Revenues:			
Taxes:			
Property tax	\$ 6,318,969	\$ 6,146,614	\$(172,355)
Resident tax	73,510	73,510	
Other taxes	4,590	4,590	
	<u>6,397,069</u>	<u>6,224,714</u>	<u>(172,355)</u>
Licenses, permits and fees:			
Vehicle permits	250,000	315,597	65,597
City clerk fees	7,000	9,110	2,110
Dog licenses	2,000	1,559	(441)
Beano licenses	2,000		(2,000)
Junk licenses	100	50	(50)
Boat licenses	1,500	800	(700)
Restaurant licenses	200	452	252
	<u>262,800</u>	<u>327,568</u>	<u>64,768</u>
Intergovernmental revenue:			
Business profits tax	1,289,724	1,289,724	
Rooms and meals tax	170,578	170,578	
Interest and dividends tax	58,588	58,588	
Savings bank tax	95,941	95,941	
Railroad tax	3,648	3,648	
National forest land tax	25,135	34,441	9,306
School department subsidies	496,965	578,874	81,909
School grants - federal and state	247,572	218,118	(29,454)
School - cafeterias	352,777	255,856	(96,921)
Debt service subsidy	65,450	58,713	(6,737)
Highway department subsidy	71,837	74,455	2,618
Welfare department state funds	750		(750)
Wastewater - state - bond	364,591	364,591	
Water bond	183,700	183,700	
Motor vehicle fees	46,443	46,443	
	<u>3,473,699</u>	<u>3,433,670</u>	<u>(40,029)</u>

The accompanying notes are an integral
part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, TRANSFERS AND ENCUMBRANCES -
BUDGET AND ACTUAL, Continued

	Budget (Note 3)	Actual (Note 3)	Actual Over (Under)
Charges for services:			
Cemetery trusts	\$ 750	\$ 750	
Health department	50,000	95,542	\$ 45,542
Public works department	34,000	42,503	8,503
	<u>84,750</u>	<u>138,795</u>	<u>54,045</u>
District court fines and forfeits	<u>22,500</u>	<u>20,687</u>	<u>(1,813)</u>
Other:			
General revenue sharing	250,000	250,000	
Interest on delinquent taxes	55,000	89,199	34,199
Interest on investments	125,000	161,613	36,613
Uncommitted taxes	7,500	7,815	315
Other	925	21,194	20,269
	<u>438,425</u>	<u>529,821</u>	<u>91,396</u>
Total revenues	10,679,243	10,675,255	(3,988)
Transfers from other funds:			
Industrial Development and Park Authority Fund	<u>44,400</u>	<u>44,400</u>	
Total transfers from other funds	<u>44,400</u>	<u>44,400</u>	
Total revenues and transfers from other funds	10,723,643	<u>\$10,719,655</u>	<u>\$ (3,988)</u>
Transfer from fund balance	<u>366,350</u>		
	<u>\$11,089,993</u>		

The accompanying notes are an integral
part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, TRANSFERS AND ENCUMBRANCES -
BUDGET AND ACTUAL, Continued

	Budget (Note 3)	Actual (Note 3)	Encumbrances	Actual and Encumbrances Over (Under)
Expenditures and encumbrances:				
General government:				
Mayor and city council	\$ 30,650	\$ 29,520		\$ (1,130)
Administration	277,012	262,089		(14,923)
Elections	12,650	7,567		(5,083)
City hall and other buildings	39,610	41,237	\$ 209	1,836
District court	37,288	27,362		(9,926)
Insurance	90,625	86,909		(3,716)
County tax	489,568	489,568		
Central services		11,227		11,227
Discounts and abatements	378,596	84,953		(293,643)
Miscellaneous personnel costs	632,197	526,973		(105,224)
Contingent	19,000	9,220		(9,780)
Sundry	57,000	48,555		(8,445)
	<u>2,064,196</u>	<u>1,625,180</u>	<u>209</u>	<u>(438,807)</u>
Public safety:				
Police department	634,811	649,820		15,009
Fire department	637,491	602,234	6,037	(29,220)
Street lighting	126,000	126,146		146
Ambulance	65,520	65,520		
Special programs	22,890	19,193		(3,697)
	<u>1,486,712</u>	<u>1,462,913</u>	<u>6,037</u>	<u>(17,762)</u>
Highways and streets:				
Public works department	967,165	823,132	4,500	(139,533)
Capital improvements	119,625	42,995	37,386	(39,244)
Town road improvement	10,232	10,232		
Airport	16,970	16,970		
Pollution control	108,169	101,762	3,612	(2,795)
	<u>1,222,161</u>	<u>995,091</u>	<u>45,498</u>	<u>(181,572)</u>

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, TRANSFERS AND ENCUMBRANCES -
BUDGET AND ACTUAL, Continued

	Budget (Note 3)	Actual (Note 3)	Encumbrances	Actual and Encumbrances Over (Under)
Expenditures and encumbrances, continued:				
Health	\$ 124,363	\$ 114,582	\$ 255	\$ (9,526)
Welfare	196,232	118,970		(77,262)
Culture and recreation:				
Recreation and parks	137,363	131,041	1,057	(5,265)
Library	62,565	64,000		1,435
	199,928	195,041	1,057	(3,830)
Water system improvements	150,000	3,913		(146,087)
Education:				
School department	4,490,051	4,208,854	102,006	(179,191)
Total expenditures and encumbrances	9,933,643	8,724,544	155,062	(1,054,037)
Transfers to other funds:				
Debt Service:				
Serial bonds	735,000	735,000		
Bond interest	421,340	421,340		
Total transfers to other funds	1,156,340	1,156,340		
Total expenditures, encumbrances and transfers to other funds	11,089,983	9,880,884	155,062	\$(1,054,037)
Excess of revenues and transfers over expenditures and transfers		\$ 838,771		

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
GENERAL REVENUE SHARING FUND
STATEMENT OF REVENUES AND EXPENDITURES -
BUDGET, ENCUMBRANCES AND ACTUAL
for the year ended June 30, 1983

	<u>Budget</u>	<u>Expenditures</u>	<u>Encumbrances</u>	<u>Actual Over (Under)</u>
Police	\$100,000	\$100,000		
Fire	125,000	125,000		
Public works	<u>25,000</u>	<u>25,000</u>		
	<u>\$250,000</u>	<u>\$250,000</u>		<u>-</u>

Amounts above are included in the General Fund Statement of Revenues, Expenditures, Transfers and Encumbrances - Budget and Actual on pages 7-10 of this financial report.

STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES - AGENCY FUND
for the year ended June 30, 1983

	<u>Balance, July 1, 1982</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, June 30, 1983</u>
ASSETS				
Taxes receivable - delinquent	<u>\$68,843</u>	<u>\$489,568</u>	<u>\$ 555,580</u>	<u>\$2,831</u>
LIABILITIES				
Withheld for other governments	-	489,568	489,568	-
Due to General Fund	<u>68,843</u>	<u>489,568</u>	<u>555,580</u>	<u>2,831</u>
	<u>\$68,843</u>	<u>\$979,136</u>	<u>\$1,045,148</u>	<u>\$2,831</u>

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
ENTERPRISE FUNDS
COMBINING AND COMBINED BALANCE SHEET

June 30, 1983

ASSETS	Industrial Development and Park Authority	Sewer Fund	Combined
Accounts receivable	\$ 154,650	\$ 193,303	\$ 347,953
Allowance for estimated uncollectibles	(104,500)	(15,000)	(119,500)
Net investment in direct financing lease (Note 6)	39,368		39,368
Inventory (Note 7)		9,300	9,300
Due from General Fund		35,582	35,582
Other assets		10,000	10,000
Total current assets	<u>89,518</u>	<u>233,185</u>	<u>322,703</u>
Investment property (Note 6)	357,924		357,924
Net investment in direct financing lease (Note 6)	1,139,512		1,139,512
Property and equipment	145,510		145,510
Wastewater treatment facility (Note 7)		22,991,253	22,991,253
Less accumulated depreciation	(6,094)	(1,756,945)	(1,763,039)
	<u>1,636,852</u>	<u>21,234,308</u>	<u>22,871,160</u>
Total assets	<u>\$1,726,370</u>	<u>\$21,467,493</u>	<u>\$23,193,863</u>
LIABILITIES AND RETAINED EARNINGS			
Accounts payable		4,849	4,849
Notes payable and current portion of long-term obligations	65,876		65,876
Other liabilities and accrued expenses	32,931		32,931
Due to General Fund	122,047		122,047
Total current liabilities	220,854	4,849	225,703
Long-term obligations	<u>1,025,014</u>		<u>1,025,014</u>
Total liabilities	1,245,868	4,849	1,250,717
Fund equity:			
Contributed capital:			
Capital grants		22,411,427	22,411,427
Less amortization		(1,713,147)	(1,713,147)
		20,698,280	20,698,280
City's contributions	535,615	569,907	1,105,522
	535,615	21,268,187	21,803,802
Retained earnings (accumulated deficit)	(55,113)	194,457	139,344
Total fund equity	<u>480,502</u>	<u>21,462,644</u>	<u>21,943,146</u>
Total liabilities and fund equity	<u>\$1,726,370</u>	<u>\$21,467,493</u>	<u>\$23,193,863</u>

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
INDUSTRIAL DEVELOPMENT AND PARK AUTHORITY
STATEMENT OF OPERATIONS AND ACCUMULATED DEFICIT
for the year ended June 30, 1983

Revenues:	
Payments in lieu of taxes	\$ 32,414
Rent	31,262
Interest on net investment in direct financing lease	70,764
Interest income	27,098
Other	<u>2,045</u>
Total revenues	<u>163,583</u>
Expenses:	
Interest on general obligation bonds	29,400
Interest on long-term borrowing	57,291
Utilities	2,360
Depreciation	4,851
Bad debt expense	55,900
Other	<u>4,805</u>
Total expenses	<u>154,607</u>
Net income	8,976
Accumulated deficit, beginning of year	<u>(64,089)</u>
Accumulated deficit, end of year	<u><u>\$(55,113)</u></u>

The accompanying notes are an integral
part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
INDUSTRIAL DEVELOPMENT AND PARK AUTHORITY
STATEMENT OF CHANGES IN FINANCIAL POSITION
for the year ended June 30, 1983

Sources of financial resources:

Operations:

Net income	\$ 8,976
Add expenses not requiring working capital - depreciation	<u>15,414</u>
	24,390

Reduction in property and equipment	298,059
Contributions to capital	17,160
Increase in long-term obligations	<u>431,865</u>

Total sources of financial resources	<u>\$771,474</u>
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Uses of financial resources:

Increase in net investment in direct financing lease	325,517
Increase in investment property	60,620
Refinancing of long-term obligations	303,313
Payments on long-term obligations	51,102
Increase in working capital	<u>30,922</u>

Total uses of financial resources	<u>\$771,474</u>
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Changes in elements of working capital:

Increase (decrease) in current assets:	
Accounts receivable, net	37,769
Current portion of net investment direct financing lease	<u>22,970</u>
	<u>60,739</u>

Increase (decrease) in current liabilities:

Notes payable and current portion of long-term obligations	(6,160)
Other liabilities and accrued expenses	20,305
Retainage payable	5,800
Due to General Fund	<u>9,872</u>
	<u>29,817</u>

Increase in working capital	<u>\$ 30,922</u>
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The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE

SEWER FUND

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS AND CONTRIBUTED CAPITAL

for the year ended June 30, 1983

Revenue:	
User charges	\$ 356,022
Interest income	<u>5,589</u>
	<u>361,611</u>
Expenses:	
Depreciation	459,825
Salaries and wages	181,014
Plant supplies	22,807
Treatment supplies	18,246
Utilities	87,305
Accounting and collections	6,117
Other	<u>2,450</u>
	<u>777,764</u>
Operating loss	416,153
Nonoperating expense:	
Interest expense - general obligation bonds	<u>188,240</u>
	604,393
Operating transfer from General Fund	<u>(188,240)</u>
Net loss	416,153
Add depreciation on fixed assets acquired by grants, entitlements, and shared revenues externally restricted for capital acquisitions and construction that reduces contributed capital	<u>448,427</u>
Increase in retained earnings	<u>32,274</u>
Retained earnings, beginning of year	<u>162,183</u>
Retained earnings, end of year	<u>\$ 194,457</u>
Contributed capital, beginning of year	21,530,683
Contribution to capital in aid of construction	185,931
Depreciation on fixed assets acquired by grants, entitlements and shared revenues externally restricted for capital acquisitions	<u>(448,427)</u>
Contributed capital, end of year	<u>\$21,268,187</u>

The accompanying notes are an integral
part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
SEWER FUND
STATEMENT OF CHANGES IN FINANCIAL POSITION
for the year ended June 30, 1983

Source of financial resources:

From operations:	
Net loss	\$(416,153)
Less expenses not requiring working capital in the current period - depreciation	<u>459,825</u>
Working capital provided from operations	43,672
Contributions to capital in aid of construction	<u>185,931</u>
	<u>\$ 229,603</u>

Use of financial resources:

Addition to wastewater treatment facility	185,931
Increase in working capital	<u>43,672</u>
	<u>\$ 229,603</u>

Changes in elements of working capital:

Increase in current assets:	
Accounts receivable, net	(31,167)
Inventory	(2,000)
Other assets	-
Due from General Fund	<u>35,582</u>
	<u>2,415</u>
Increase (decrease) in current liabilities:	
Accounts payable	4,849
Other liabilities and accrued expenses	-
Due to General Fund	<u>(46,106)</u>
	<u>(41,257)</u>
Increase in working capital	<u>\$ 43,672</u>

The accompanying notes are an integral
part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
STATEMENT OF CHANGES IN GENERAL LONG-TERM DEBT PAYABLE AND INTEREST
for the year ended June 30, 1983

	Original Issue	Int. Rate %	Maturity Date	Balance, July 1, 1982	Principal		Principal Payments		Paid July 1, 1982 to June 30, 1983		Interest	
					Principal Payments	Principal Balance, June 30, 1983	Due 1984	Due Subsequent Years	Due 1984	Due Subsequent Years		
<u>General Obligation Serial Bonds</u>												
School bonds outstanding:												
School building - 1971	\$ 2,250,000	4.8	1990	\$1,000,000	\$125,000	\$ 875,000	\$125,000	\$ 750,000	\$ 45,000	\$ 39,000	\$ 120,000	
School building - 1971	950,000	5.7	1990	450,000	50,000	400,000	50,000	350,000	24,225	21,375	69,825	
	<u>3,200,000</u>			<u>1,450,000</u>	<u>175,000</u>	<u>1,275,000</u>	<u>175,000</u>	<u>1,100,000</u>	<u>69,225</u>	<u>60,375</u>	<u>189,825</u>	
<u>Public improvements bonds</u>												
outstanding:												
Public improvements - 1966	300,000	4.0	1986	60,000	15,000	45,000	15,000	30,000	2,400	1,800	1,800	
Fiscal year change bonds - 1976	2,000,000	5.375	1986	1,000,000	200,000	800,000	200,000	600,000	48,375	37,625	48,375	
Wastewater treatment facility bond - 1978	4,540,000	5.2	1998	3,620,000	230,000	3,390,000	230,000	3,160,000	188,240	176,280	1,229,280	
Water filtration plant bonds - 1976	1,770,000	6.2	1995	1,400,000	100,000	1,300,000	100,000	1,200,000	83,700	77,500	446,400	
	<u>\$11,810,000</u>			<u>\$7,530,000</u>	<u>\$720,000</u>	<u>\$6,810,000</u>	<u>\$720,000</u>	<u>\$6,090,000</u>	<u>\$391,940</u>	<u>\$353,580</u>	<u>\$1,915,680</u>	

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

A summary of significant accounting policies employed in preparation of the financial statements follows:

Fund Accounting

Financial activities are recorded in the individual funds and the account group described below, each of which is deemed to be a separate accounting entity. A statement of general fixed assets as of June 30, 1983 is not presented as records of their cost are not maintained.

General Fund

Transactions related to resources obtained and used for delivery of those services traditionally provided by a municipal government, which are not accounted for in other funds, are accounted for in the General Fund. These services include, among other things, general government, public safety, highways and streets, health, welfare, culture, recreation and schools.

Special Revenue Funds

Transactions related to resources obtained and used under certain federal and state grants and entitlements and from other sources, upon which restrictions are imposed, are accounted for in Special Revenue Funds. Examples of funds included are the Community Development Block Grants, General Revenue Sharing, Antirecession Fiscal Assistance and Comprehensive Employment and Training Act funds.

Debt Service Fund

Transactions related to resources obtained and used for the payment of interest and principal on general long-term debt are accounted for in Debt Service Funds.

Capital Projects Funds

Transactions related to resources obtained and used for the acquisition, construction or improvement of major capital facilities are accounted for in Capital Projects Funds. Such resources are derived principally from proceeds of general obligation bond issues and from federal and state grants. Included at June 30, 1983 are principally the Wastewater Treatment and South Bridge Projects.

Continued

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS, Continued

1. Summary of Significant Accounting Policies, continued:

Enterprise Funds

Transactions related to the acquisition, development and disposal of industrial land and facilities are accounted for in the Industrial Development and Park Authority Fund. Transactions related to the wastewater treatment facility are supported in part by user charges and accounted for in the Sewer Fund.

General Long-Term Debt Group of Accounts

Unmatured long-term general obligation bonds payable are accounted for in the Long-Term Debt Account Group.

Basis of Accounting

The accounts of the General, Special Revenue, Debt Service and Capital Projects Funds are maintained and reported on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues and assets are recognized when measurable and available to finance operations of the year, and expenditures and liabilities are recognized when obligations are incurred from receipt of goods and services, when assessments are made by the state or, in the case of judgments and claims against the City, when there is a probability that such judgments and claims will result in liabilities, the amounts of which can be reasonably estimated.

Materials and supplies are considered expended when purchased and inventory is not reflected in the financial statements except in the Sewer Fund.

Interest on long-term general obligation bonds payable is recognized when it becomes payable. The City follows the policy of recording property taxes in accordance with Interpretation 3 of the National Council on Governmental Accounting (see Note 13). Resident taxes are recorded on the accrual method and other General Fund revenue, such as motor vehicle permits, on a cash basis. Interest income is recorded as receivable and revenue as earned. Federal revenue sharing assistance is recorded as receivable and revenue as the entitlement occurs. Federal and state reimbursement type grants are recorded as receivables and revenue as the related uses of financial resources are recorded.

The accounts of the Enterprise Funds are maintained and reported on the accrual basis of accounting.

Continued

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS, Continued

1. Summary of Significant Accounting Policies, continued:

Basis of Accounting, continued

Capital expenditures of the Industrial Development and Park Authority Fund are recorded as investments, at cost, held for subsequent sale.

General obligation bonds supported by general revenues are obligations of the City as a whole and not its individual constituent funds. Accordingly, all unmatured obligations which are backed by the full faith and credit of the City are accounted for in the General Long-Term Debt Account Group.

General obligation bonds of the City issued for capital investment of the Sewer Fund are included in the General Long-Term Debt Account Group and are reflected as contributed capital of the Sewer Fund.

2. Budgetary Accounting and Encumbrances:

General governmental revenues and expenditures accounted for in the General Fund, Debt Service Fund and Community Development Grants, General Revenue Sharing, Antirecession Fiscal Assistance and Comprehensive Employment and Training Act Special Revenue Funds, are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements which govern the City's operations.

Appropriations in such funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. Even though certain goods and services have not been received, the transactions are accounted for as a use of budgeted appropriations in the year that the commitment is made.

Continued

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS, Continued

3. Reconciliation of General Fund Revenues and Expenditures:

General Fund revenues and expenditures reported in the Statement of Revenues, Expenditures, Transfers and Encumbrances - Budget and Actual are presented on the basis budgeted by the City. The amounts differ from those reported in conformity with generally accepted accounting principles in the Statement of Revenues, Expenditures, Operating Transfers and Changes in Fund Equity as follows:

	<u>Revenues</u>	<u>Expenditures</u>
Statement of Revenues, Expenditures, Operating Transfers and Changes in Fund Equity	\$ 8,911,096	\$7,778,432
School Grants and Cafeteria - reported in Other Programs Special Revenue Fund	473,974	473,974
General Revenue Sharing - reported in Special Revenue Fund	250,000	250,000
Amounts expensed in other funds	-	68,936
Amounts included in appropriated fund balance and reserved for encumbrances, beginning of year, net	-	(296,807)
Payroll accrual included for gen- erally accepted accounting principles	-	(39,555)
County Tax - reported in Agency Fund	489,568	489,568
State's share of wastewater treat- ment facility general obligation bonds - reported in Debt Service	364,591	364,591
Transfer from Industrial Development and Park Authority Fund - reported in Debt Service Fund	44,400	44,400
Transfer from Berlin Water Works - reported in Debt Service Fund	183,700	183,700
Operating transfers		563,645
Other	<u>2,326</u>	<u>-</u>
Statement of Revenues, Expendi- tures, Transfers and Encum- brances - Budget and Actual	<u>\$10,719,655</u>	<u>\$9,880,884</u>

Continued

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS, Continued

4. Retirement Costs:

Substantially all employees of the City participate in the State of New Hampshire Retirement System. Under this plan, police and firemen contribute 9.3% of annual compensation and all other employees contribute 4.6%. The City's contribution is based upon an actuarial valuation of the State plan as of January 31, 1983, and has been set at 14.11% of annual compensation for police, 11.79% for firemen, 1.63% for teachers, and 2.76% for all other employees. The City's contribution rate provides for normal cost annually and for amortization of past service cost over 20 years. The amount, if any, of the excess of vested benefits over pension fund assets for the City is not available. Employees of the Public Works Department and certain Recreation Department personnel are covered under a City sponsored plan. The value of vested benefits in excess of the assets of this plan was approximately \$396,900 at September 1, 1982 the date of the latest actuarial valuation. Annual cost includes amortization of prior service costs over periods of 20 (State plan) to 30 (City plan) years. Additional disclosures required by Statement No. 36 of the Financial Accounting Standards Board have not been made as the information is not available. The City's policy is to fund pension costs accrued. Pension expenditures of the General Fund for the year were approximately \$238,000 for the State plan and \$28,900 for the City plan.

5. Vacation and Sick Pay:

Employees earn vacation and sick pay as they provide services. City employees may accumulate sick leave in amounts ranging to a maximum of 60 to 100 days and are entitled to a 50% to 100% lump-sum payment for unused sick leave upon retirement depending upon length of employment. Accrued vacation time not taken at the end of the calendar year is lost. Teachers may accumulate a maximum of 95 sick leave days and are entitled to 60 days' payment upon termination or retirement after completing 10 years of employment.

In accordance with generally accepted accounting principles, vacation and sick pay applicable to Enterprise Fund employees is recorded when earned in the Enterprise Fund financial statements. In all other funds, vacation and sick pay is recorded when paid.

The maximum estimated value of accumulated vacation and sick pay applicable to all City employees (other than those employed by Enterprise Funds) at June 30, 1983 is approximately \$175,065 and \$1,094,635, respectively.

Continued

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS, Continued

6. Industrial Development and Park Authority:

The Industrial Development and Park Authority was established July 15, 1974, pursuant to Chapter 26 of the Laws of 1974. The Authority was reestablished on September 15, 1975 under the provisions of RSA 162-G, for the purpose of acquisition, development and disposal of industrial land and facilities.

Investment property is carried at cost. The investment property is being held for sale and, accordingly, depreciation has not been provided. Rental income may be received until the property is sold. Land and buildings represent property held for rental purposes. The buildings are being depreciated over 30 years.

The Industrial Development and Park Authority has entered into three long-term leases with bargain purchase options at the end of the lease term for buildings and land. These leases have been accounted for as direct financing leases. The minimum lease payments to be received under the capital and operating leases are as follows:

	<u>Minimum Lease Payments</u>
1984	\$ 125,804
1985	122,719
1986	127,519
1987	127,519
1988	131,119
Later	<u>1,075,434</u>
	1,710,114
Less unearned income	<u>531,234</u>
Net investment in direct financing leases	<u>\$1,178,880</u>

Continued

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS, Continued

6. Industrial Development and Park Authority, continued:

The Industrial Development and Park Authority has long-term debt payable of \$360,000. These bonds are 8% bonds issued in 1974 for an original value of \$450,000. As of June 30, 1983 the requirements for principal and interest in future years is as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1984	\$ 15,000	\$ 28,200	\$ 43,200
1985	20,000	26,800	46,800
1986	20,000	25,200	45,200
1987	20,000	23,600	43,600
1988	25,000	21,800	46,800
1989-1993	145,000	77,000	222,000
1994-1996	115,000	14,200	129,200
	<u>\$360,000</u>	<u>\$216,800</u>	<u>\$576,800</u>

In addition, the Industrial Development and Park Authority has long-term mortgage obligations of \$353,088 payable to the Berlin Economic Development Council (BEDCO) (see Note 12). These obligations are at 6% interest and have various repayment schedules up to fifteen years. As the properties become leased, lease payments will be assigned to BEDCO until the outstanding mortgage balances have been repaid.

7. Sewer Fund:

The Sewer Fund was established on January 21, 1980 to develop, implement and administer a system of user charges to assure that each recipient of wastewater treatment services pays a proportionate share of costs of operation, maintenance and capital recovery.

Inventory is stated at the lower of cost or market with cost determined by the first-in, first-out method.

The wastewater treatment facility is stated at cost. Expenditures have been recorded in the Wastewater Treatment Capital Project.

Continued

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS, Continued

8. Capital Projects Funds Transfers:

The School Building - Vocational Fund, a Capital Project Fund, balance at July 1, 1978 included \$484,312 received from the State of New Hampshire as reimbursement for conversion of approximately 19,000 square feet of Berlin High School floor space into an area vocational center for the communities of Berlin, Gorham and Groveton. The remaining balance of \$80,692, unless appropriated by the City Council for other purposes, must be used to retire the related School Building - 1971 general obligation serial bonds.

Operating transfers to the South Street Bridge Project represent operating transfers from the Community Development Block Grants Special Revenue Fund and from the General Fund.

Operating transfers to the Wastewater Treatment Project represent an operating transfer from the Community Development Block Grants Special Revenue Fund.

9. Federal Aid Anticipation and Bond Anticipation Notes:

Capital Projects Funds' federal aid anticipation and bond anticipation notes were issued at various times during the year, at various interest rates, due on October 12, 1983. During 1983, the maximum amount outstanding was \$4,380,777, the average amount of monthly borrowings was \$3,133,602 and the average interest rate was approximately 7.56%.

10. General Long-Term Debt Payable:

General obligation bonds outstanding of \$800,000 issued to finance a fiscal year-end change authorized under Chapter 172 of the Laws of 1975, and general obligation bonds of \$3,390,000 issued to finance the wastewater treatment facility and the Industrial Development and Park Authority general obligation bonds of \$360,000 under Chapter 26 of the Laws of 1974, are not includable in the net indebtedness of the City for the purpose of determining the City's legal borrowing limitation.

The wastewater treatment facility general obligation bonds are guaranteed by the full faith and credit of the State of New Hampshire. The State has agreed to subsidize \$2,922,078 of the remaining debt in installments when due.

Continued

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS, Continued

10. General Long-Term Debt Payable, continued:

General obligation serial bonds payable include \$1,300,000 of Berlin Water Works Bonds which are intended to be repaid from revenues of the Water Works.

As of June 30, 1983, general obligation debt service serial requirements for principal and interest in future years are as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1984	\$ 720,000	\$ 353,580	\$1,073,580
1985	720,000	315,220	1,035,220
1986	720,000	276,860	996,860
1987	675,000	239,100	914,100
1988	475,000	208,175	683,175
1989-1993	2,075,000	672,925	2,747,925
1994-1998	<u>1,425,000</u>	<u>203,400</u>	<u>1,628,400</u>
	<u>\$6,810,000</u>	<u>\$2,269,260</u>	<u>\$9,079,260</u>

11. Contingencies:

The City is a defendant in five lawsuits initiated by contractors claiming damages of approximately \$7,400,000 in connection with the construction of the wastewater treatment system. All five suits involve allegations of defective contract specifications and damages and losses that result therefrom. The City has filed a countersuit of approximately \$7,700,000 against these contractors. The City has filed a \$15,000,000 claim for damages against an engineering firm related to the same project. The engineering firm has filed a \$10,000,000 countersuit against the City. All of the litigation is at the preliminary discovery phase and because of the existing uncertainties, the eventual outcome of these contingencies cannot be predicted. The ultimate liability, if any, with respect to them cannot be reasonably estimated and therefore, no liability has been recorded in the financial statements. The City's General Counsel are unable to determine if the results of these matters will have a material effect on the City's financial position.

Continued

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS, Continued

11. Contingencies, continued:

There are other various claims and suits pending against the City which arise in the normal course of the City's activities. In the opinion of legal counsel and City management, the ultimate disposition of these various claims and suits will not have a material effect on the financial position of the City.

12. Related Party Transactions:

The City participates in the operations of the Berlin Airport Authority, which is organized as a separate legal entity under the laws of the State of New Hampshire. The Authority is administered by a Board, the majority of whose members are appointed by the Mayor.

The Berlin Economic Development Council, Inc. (BEDCO) is a nonprofit corporation formed in June 1979 to receive, administer and set policy for a fund available to provide new and existing businesses assistance with their financing needs. The mayor, two councilmen and a City employee are members of a seven-person Executive Committee. At June 30, 1983, the Berlin Industrial Development and Park Authority had loans payable outstanding to BEDCO of \$385,312.

13. Accounting Change - Property Tax Recognition:

Effective July 1, 1982, the City adopted Interpretation 3 of the National Council on Governmental Accounting (NCGA) relating to revenue recognition of property taxes. Under the interpretation property tax revenues are recognized in the current period to the extent they are received during the current period or collected within 60 days of the next period.

Beginning fund balance has been reduced by \$294,656 to reflect retroactive application of Interpretation 3. If the City had not adopted Interpretation 3, general property taxes for the year ended June 30, 1983 would have been \$172,355 higher.

Continued

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS, Continued

14. Capital Projects Funds - Write-off of Uncollectible Accounts Receivable:

At June 30, 1983 the City determined that an accounts receivable of \$1,579,440 from the federal government reflected on the balance sheet of the wastewater treatment capital project fund is not collectible and has written it off. The majority of the receivable represents costs which the federal government has determined are ineligible under the grant provisions. The City disagrees with this determination; however, it cannot substantiate its position until a final project audit. Approximately \$661,000 of the receivable balance represents the balance to draw on a letter of credit for which the City has been unable to provide satisfactory documentation of the costs incurred. City management feels that collection of these balances will only occur as a result of a favorable outcome of the litigation described in Note 11 to these financial statements.

The fund deficit of \$2,484,495 which exists in the wastewater capital project fund will be funded by a portion of a general obligation bond issue of \$3,200,000 (see Note 15).

15. Subsequent Events:

During July 1983 the City issued \$3,200,000 in General Obligation Bonds. The proceeds will be used to finance the wastewater treatment facility as described in Note 14. The effective interest rate on the bonds approximates 9.4%.

BERLIN'S BOARDS AND COMMISSIONS

The people of Berlin owe a great deal of Thanks to their fellow citizens who serve on our many boards and commissions. These people receive no pay. Their services are greatly appreciated.

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John R. Gothreau
Arthur J. Bergeron, Jr.

BOARD OF EDUCATION

Darrill Neal, Chairman
Sylvio H. Laplante
Robert Dumont
Joseph N. Rozek
Alethea Froburg

BOARD OF HEALTH

Edouard M. Danais
Philip Tremblay
Louise Marquis

POLICE COMMISSION

Paul Cusson, Jr., Chairman
Hildegarde Mercier
Louis Perrault

BERLIN INDUSTRIAL DEVELOPMENT AND PARK AUTHORITY

Robert Dumont
Donald Duquette
William H. Dunton
Bernard Gallagher
Sylvio Croteau
James Burns
Yvonne Coulombe
Richard McLaughlin
Maurice Wheeler
Maurice Caron
Alfred Legere
Valmore Doucette
Gaston Pillion
R.H. Sherman
George Arsenault
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Lorraine Rivard

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Jack R. Crisp, Jr.

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Ronald Goudreau
Herve Blais
Richard Poulin
Ernest Guay
Robert Boulanger
Roland Lamontagne
Ann Conway
Donald Laroche

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David Gilchrist
Alfred Legere
Raymond Chagnon

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Nicholas C. Darchik
Donald Sloane
Mark Hamlin
Henry T. Cote
Norman Morin
Doris Purington
Maurice Wheeler
Leo H. Montminy
Omer Morin
Joseph J. Ottolini
Sylvio Laplante
Donald Borchers

BERLIN ECONOMIC DEVELOPMENT COUNCIL, INC.

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Donald Duquette
Alfred Legere
Alan Perrin
R.H. Sherman
Valmore Doucette
Joseph Ottolini
David Rosenberg
Eli Isaacson
George Arsenault
Lawrence Goss
Richard Langlois
Paul Campagna
John Jacobs
Edward Ferrari
Lee Coulombe
Margaret Neil
Roland Leighton
Richard Day
Mark Hamlin

RECREATION & PARKS COMMISSION

Ron Reardon, Chairman
Don Piper
Dave Roy
Rick Lamontagne
Lucille Jalbert
Becky Vaillancourt

CEMETERY TRUSTEES

Janet King
Donald Sloane

FINANCE COMMITTEE - ACCOUNTS & CLAIMS COMMITTEE

Joseph Ottolini, Chairman
George Arsenault
Alfred Legere
Doris Purington
Wilfred Routhier

SAFETY & TRANSPORTATION COMMITTEE

Joseph Murray
George Arsenault
Doris Purington
Margaret Neil

AIRPORT AUTHORITY

Joseph Ottolini, Chairman
David Gilchrist
Joseph Murray
Raymond Chagnon
Wilfred Routhier
Harris Nichols
Gerard Lemire

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Hon. Henry F. Marston	1897-1899
Hon. John B. Noyes	1899-1900
Hon. Frank L. Wilson	1900-1901
Hon. Fred M. Clement	1901-1902
Hon. John B. Gilbert	1902-1905
Hon. George E. Hutchins	1905-1908
Hon. Fremont D. Bartlett	1908-1910
Hon. Daniel J. Daley	1910-1915
Hon. George F. Rich	1915-1919
Hon. Eli J. King	1919-1924
Hon. J. A. Vaillancourt	1924-1926
Hon. Eli J. King	1926-1928
Hon. Edward R. B. McGee	1928-1931
Hon. W. E. Corbin	1931-1932
Hon. C. J. Coulombe	1932-1934
Hon. Daniel J. Feindel	1934-1935
Hon. Arthur J. Bergeron	1935-1938

Hon. Matthew J. Ryan	1938-1939
Hon. Aime Tondreau	1939-1943
Hon. Carl E. Morin	1943-1946
Hon. George E. Bell	1946-1947
Hon. Paul A. Toussaint	1947-1950
Hon. Aime Tondreau	1950-1957
Hon. Guy Fortier	1957-1958
Hon. Laurier A. Lamontagne	1958-1962
Hon. Edward L. Schutte	1962-1965
Hon. Dennis Kilbride	1965-1966
Hon. Norman J. Tremaine	1966-1968
Hon. Earl. F. Gage	1968-1970
Hon. Norman J. Tremaine	1970-1972
Hon. Sylvio J. Croteau	1972-1976
Hon. Laurier A. Lamontagne	1976-1978
Hon. Leo G. Ouellet	1978-1982
Hon. Joseph J. Ottolini	1982-

CITY MANAGERS OF THE CITY OF BERLIN

Stanley Judkins	1962-1966
Joseph Burke	1970-1973
James C. Smith	1973-1978
Michael L. Donovan	1978-1983
Mitchell A. Berkowitz	1983-

1983 MUNICIPAL OFFICERS

City Manager	Mitchell A. Berkowitz
City Comptroller/Collector	Aline Boucher
Chief Assessor	Robert Peabody
City Clerk	Lise Malia
City Attorney	James J. Burns
District Court Judge	Wallace Ancil
Treasurer	Arthur Irwin
Police Chief	Joseph Martin
Fire Chief	Robert Theriault
Health Officer	Robert Delisle
Building Inspector	Fernand Villeneuve
Welfare Administrator	Annette Langevin
Acting Rec. and Parks Superintendent	Laura Viger
Librarian	Inez Hamlin
Superintendent of Schools	Alan Perrin
Acting City Engineer	Larry Wagner
Super./Chief Operator	
Control	Charles McDowell
Public Works Director	Maurice Wheeler
Water Works Superintendent	Albin Johnson
Community Development Director	Jeffrey H. Taylor
Economic Development Director	Roland H. Sherman
Airport Manager	Roland Lambert



